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Part of Public Record

Via Federal Express

Ms. Cynthia T. Brown Director, Section of Administration Office of Proceedings **Surface Transportation Board** 395 E Street, S.W. Washington, D.C. 20423-0001

> Ex Parte No. 711 – Petition of the National Industrial Transportation League for Re:

Rulemaking To Adopt Revised Competitive Switching Rules

Dear Ms. Brown:

This letter is being written on behalf of the Glass Producers Transportation Council (GPTC), in support of a Petition filed on July 7, 2011 by the National Industrial Transportation League asking the agency to initiate a rulemaking to adopt revised rules on competitive switching. The Petition follows the Board's general consideration of competition issues in Ex Parte No. 705, Competition in the Railroad Industry.

GPTC is a national trade association representing the transportation interests of the glass industry and its allied suppliers of raw materials. Our members include North American producers of glass products, including glass containers, bottles, architectural glass, auto glass, tableware, fiber glass, pharmaceutical glass and many other glass products, as well as the raw materials essential to glass manufacture, such as sand, soda ash and limestone. Many of our members' plants are captive to one of the Class One railroads and consequently, the availability of competitive switching is of critical importance to our industry. Historical lack of competition has driven up rail transportation costs for our members' in-bound raw materials, making them extremely vulnerable to foreign import competition, as well as other consequential threats to the continued health and viability of the North American glass industry.

In the Ex Parte No. 705 proceeding, the STB asked for new proposals and solutions to address the competitive problems faced by shippers. The League's Petition outlines the significant changes that have taken place in the railroad industry since the Interstate Commerce Commission adopted rules for reciprocal switching in 1985. The Petition indicates that the agency has the power to change those rules. Most importantly, the Petition sets forth a detailed proposal for a new regime of competitive switching, under which competitive switching would be made available to shippers who are served by only a single, Class I rail carrier and who lack effective inter- or intramodal competition.

GPTC strongly urges the Board to grant the League's Petition and to issue a Notice of Proposed Rulemaking on the proposal detailed by the League. GPTC believes that the League's proposal represents a fair and balanced effort to improve the state of competition in the rail transportation industry, and would provide increased competition for captive shippers without harming carriers. Issuance of a Notice of Proposed Rulemaking on the League's proposal would permit the industry as a whole to comment on the proposal and to guide the Board in its effort to improve the state of competition in the rail industry.

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Michael M. Briley
General Counsel and Secretary

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